

City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 18, 2015

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: SANDRA MARKS, DEPUTY DIRECTOR, T&ES

SUBJECT: AGENDA ITEM #2 - DRAFT FY 2016 – FY 2025 TRANSPORTATION BUDGET

ISSUE: Provide an overview of the considerations for the FY 2016 – FY 2025 transportation budget, highlighting significant changes from the FY2015 – FY2024 adopted budget.

RECOMMENDATION: That the Transportation Commission hold a public hearing on the draft FY 2016 – FY 2025 transportation budget.

BACKGROUND: Each year the City Manager presents a proposed City Budget to the City Council for consideration and action. As part of the budget process, a ten-year Capital Improvement Program (CIP) is developed, programming funding for major capital projects in the City. Funding for the CIP comes from the City's general fund, grants and other non-City sources of funding including developer contributions.

As part of the Council's Strategic Plan, one of the objectives is to *develop local, reliable funding mechanisms to support a fiscally constrained transportation plan*. In FY 2011, the Council approved a 2.2 cent reservation of the property tax to fund transportation projects. This funding has provided the opportunity to fund many of the projects on the Long Range Transportation Plan (LRP) over the next ten years. In addition, House Bill 2313 was signed into law and levies additional taxes and fees to generate additional revenue for transportation projects. However, there are still a number of unmet funding needs and the WMATA funding needs are putting significant pressure on the transportation budget.

DISCUSSION: Because revenues are projected to come in lower than expected, and WMATA's operating and capital programs are putting significant pressure on City funding sources, and transportation sources in particular, staff is developing budget scenarios that focus on maintenance of infrastructure and existing services and consider deferral or reduction of capital projects in order to reach target funding.

Management and Budget staff held a community meeting on Thursday, February 4, 2015 to hear from the community on the budget process, tradeoffs and identify community priorities (Attachment).

A number of changes being considered in the proposed FY 2016- 2015 budget are outlined below. The City Manager's proposed budget will be presented to City Council on March 3, 2015.

Operating changes being considered:

- Projects being considered for deferral, reduction or elimination
 - o Operating funding for expanded Capital Bikeshare program
 - o DASH expansion service
- Capitalizing staff positions
- Funding for WMATA operating costs

Capital changes being considered:

- Projects being considered for deferral, reduction or elimination
 - o DASH fleet expansion
 - o Van Dorn Metrorail Station Area Improvements
 - o Mt. Vernon Avenue/Russell Road Intersection project
 - o Old Cameron Run Trail project
 - o Backlick Run Multi-Use Path
- Significant funding for WMATA capital program

As the City Manager finalizes his budget proposal to Council, Transportation staff has proposed the following prioritization of projects being considered for reduction or deferral:

1. DASH service and fleet expansion
2. Capital Bikeshare expansion
3. Van Dorn Metrorail Station Area Improvements
4. Old Cameron Run Trail project
5. Backlick Run Multi-Use Path
6. Mt. Vernon Avenue/Russell Road Intersection project

Staff will provide a detailed presentation based on the City's Manager's proposed budget in March and will hold a public hearing, prior to Council adoption of the budget in May 2015.

Upcoming meetings:

March 3, 2015	Proposed Budget Presentation by CMO
March 18, 2015	Transportation Commission Public Hearing
March 23, 2015	City Council Public Hearing on FY2016 Budget (Livable Area)
April 9, 2015	CIP Worksession
May 7, 2015	Final Budget Adoption

ATTACHMENT: Livable, Green and Prospering City Budget